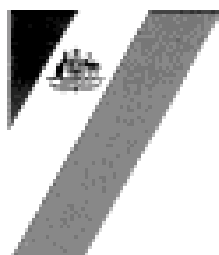


Financial Statements 1999/2000

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INDEPENDENT AUDIT REPORT

To the Minister for Employment, Workplace Relations and Small Business

Scope

I have audited the financial statements of Australian Industrial Registry for the year ended 30 June 2000. The financial statements comprise:

- Statement by the Chief Executive;
- Agency Operating Statement, Balance Sheet, Statement of Cash Flows, Schedule of Commitments and Schedule of Contingencies;
- Statements of Administered Revenues and Expenses, Assets and Liabilities and Cash Flows, and Schedules of Administered Commitments and Contingencies; and
- Notes to and forming part of the Financial Statements.

The Chief Executive is responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of the financial statements in order to express an opinion on them to you.

The audit has been conducted in accordance with Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements and statutory requirements in Australia so as to present a view of the Registry which is consistent with my understanding of its financial position, the results of its operations and its cash flows.

240 Bow St Canberra ACT 2601
Canberra House 19 National Circuit
0427 05 427
Phone (02) 6263 7088 Fax (02) 6263 7000

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion,

- (i) the financial statements have been prepared in accordance with Schedule 2 of the Finance Minister's Orders; and
- (ii) the financial statements give a true and fair view, in accordance with applicable Accounting Standards, other mandatory professional reporting requirements and Schedule 2 of the Finance Minister's Orders, of the financial position of the Australian Industrial Registry as at 30 June 2000 and the results of its operations and its cash flows for the year then ended.

Australian National Audit Office

K. I. Smith

Keith I. Smith
Senior Director

Delegate of the Auditor-General

Canberra
19 September 2000

STATEMENT BY THE CHIEF EXECUTIVE

Certification

In my opinion, the attached financial statements of the Australian Industrial Registry for the year ended 30 June 2000 give a true and fair view of the matters required by Schedule 2 to the Finance Minister's Orders made under section 63 of the *Financial Management and Accountability Act 1997*.

Signed

A handwritten signature in black ink, appearing to read 'P. Richards', followed by a long horizontal flourish.

Dated: 19 September 2000

Peter J. Richards
Chief Executive

Australian Industrial Registry

AGENCY OPERATING STATEMENT

for the year ended 30 June 2000

		1999-00	1998-99
	Notes	\$'000	\$'000
<hr/>			
Operating revenues			
Revenues from government	4a	39,709	38,093
Other revenues from independent sources	4c	173	53
Other revenues - write-on of assets	4c	-	169
Total operating revenue		<u>39,882</u>	<u>38,315</u>
Operating expenses			
Employees	5a	21,202	20,778
Suppliers	5b	17,914	19,649
Depreciation and amortisation	5c	826	787
Write-down of assets	5d	104	40
Net loss from sales of assets	5e	-	7
Total operating expenses		<u>40,046</u>	<u>41,261</u>
Operating (deficit) before abnormal items		(164)	(2,946)
Abnormal items	6	<u>(2,104)</u>	-
Net deficit after abnormal items		<u><u>(2,268)</u></u>	<u><u>(2,946)</u></u>
Net deficit attributable to the Commonwealth		(2,268)	(2,946)
Accumulated results at 1 July		(2,530)	416
Accumulated results at 30 June		<u><u>(4,798)</u></u>	<u><u>(2,530)</u></u>

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

Australian Industrial Registry

ADMINISTERED REVENUES AND EXPENSES

for the year ended 30 June 2000

		1999-00	1998-99
	Notes	\$'000	\$'000
<hr/>			
Operating revenues			
Appropriations	4b	1,594	-
Other taxes, fees and fines	4d	194	164
Sales of goods and services	4e	311	358
Interest and dividends	4f	-	1
Other	4g	-	31
Total operating revenues		2,099	554
<hr/>			
Operating expenses			
Pension payments	5f, 12b	1,450	1,406
Total operating expenses		1,450	1,406
<hr/>			
Net contribution/(Cost) to Budget Outcome		649	(852)
<hr/>			
Transfer to Official Public Account			
Cash from Official Commonwealth Public Account		-	1,406
Cash to Official Commonwealth Public Account		(572)	(663)
		(572)	743
<hr/>			
Net surplus or deficit		77	(109)
<hr/>			
Accumulated results at 1 July		(127)	(18)
Accumulated results at 30 June		(50)	(127)
<hr/>			

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

Australian Industrial Registry

AGENCY BALANCE SHEET

as at 30 June 2000

	Notes	1999-00 \$'000	1998-99 \$'000
ASSETS			
Financial Assets			
Cash	7a	1,963	103
Receivables	7b	31	1,864
Total financial assets		1,994	1,967
Non-financial assets			
Land and buildings (leasehold improvements)	8a,d	2,288	3,012
Infrastructure, plant and equipment	8b,d	511	545
Intangibles	8c,d	48	-
Capital work in progress	8e	549	-
Other	8f	520	693
Total non-financial assets		3,916	4,250
Total assets		5,910	6,217
LIABILITIES			
Provisions and payables			
Employees	9a	7,889	5,936
Suppliers	9b	690	682
Total provisions and payables		8,579	6,618
EQUITY			
Capital		1,860	1,860
Reserves		269	269
Accumulated results		(4,798)	(2,530)
Total equity	10a	(2,669)	(401)
Total liabilities and equity		5,910	6,217
Current liabilities		5,682	5,936
Non-current liabilities		2,897	682
Current assets		2,514	2,660
Non-current assets		3,396	3,557

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

Australian Industrial Registry

ADMINISTERED ASSETS AND LIABILITIES

as at 30 June 2000

	Notes	1999-00 \$'000	1998-99 \$'000
ASSETS			
Financial assets			
Cash	7c	6	5
Receivables	7d	34,500	-
Total financial assets		34,506	5
Total assets		34,506	5
LIABILITIES			
Provisions and payables			
Pension	9c	34,500	-
Other	9d	56	132
Total provisions and payables		34,556	132
Total liabilities		34,556	132
EQUITY			
Accumulated results		(50)	(127)
Total equity	10b	(50)	(127)
Current liabilities		1,635	132
Non-current liabilities		32,921	-
Current assets		1,585	5
Non-current assets		32,921	-

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

Australian Industrial Registry

AGENCY STATEMENT OF CASH FLOWS
for the year ended 30 June 2000

	Notes	1999-00 \$'000	1998-99 \$'000
OPERATING ACTIVITIES			
Cash received			
Appropriations		41,546	38,831
Section 31 receipts		173	49
Total cash received		41,719	38,880
Cash used			
Employees		21,357	18,998
Suppliers		17,766	19,756
Total cash used		39,123	38,754
Net cash from operating activities	11a	2,596	126
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of property, plant and equipment		-	11
Total cash received		-	11
Cash used			
Purchase of property, plant and equipment		736	130
Total cash used		736	130
Net cash (used by) investing activities		(736)	(119)
Net increase in cash held		1,860	7
add cash at 1 July		103	96
Cash at 30 June	7a	1,963	103

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

Australian Industrial Registry

ADMINISTERED CASH FLOWS
for the year ended 30 June 2000

	Notes	1999-00 \$'000	1998-99 \$'000
OPERATING ACTIVITIES			
Cash received			
Award sales		193	459
Other taxes, fees & fines		236	164
Interest received		-	1
Other receipts		-	31
Cash from Official Commonwealth Public Account		1,594	1,406
Total cash received		2,023	2,061
Cash used			
Pension payments		1,450	1,406
Cash to Official Commonwealth Public Account		572	663
Total cash used		2,022	2,069
Net cash from (used by) operating activities	11b	1	(8)
Net increase/(decrease) in cash held		1	(8)
add cash at 1 July		5	13
Cash at 30 June	7c	6	5

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

Australian Industrial Registry

SCHEDULE OF COMMITMENTS

for the year ended 30 June 2000

	Agency		Administered	
	1999-00	1998-99	1999-00	1998-99
Notes	\$'000	\$'000	\$'000	\$'000
BY TYPE				
OTHER COMMITMENTS				
Operating leases - leaseholds	31,111	37,234	-	-
Operating leases - property, plant and equipment	229	734	-	-
Other	4,350	-		
Total other commitments	35,690	37,968	-	-
COMMITMENTS RECEIVABLE	(917)	-	-	-
Net commitments	34,773	37,968	-	-
BY MATURITY				
One year or less	9,879	8,081	-	-
From one to five years	24,230	25,556	-	-
Over five years	664	4,331	-	-
Net commitments	34,773	37,968	-	-

NB: All 1999-00 commitments are GST inclusive where relevant. The comparatives have not been adjusted to reflect the GST.

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

Australian Industrial Registry

SCHEDULE OF CONTINGENCIES

for the year ended 30 June 2000

	Agency		Administered	
	1999-00	1998-99	1999-00	1998-99
Notes	\$'000	\$'000	\$'000	\$'000
CONTINGENT LOSSES	-	-	-	-
CONTINGENT GAINS	-	-	-	-
Net contingencies	-	-	-	-

There were no unrecognised or contingent liabilities requiring disclosure.

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

Australian Industrial Registry

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2000

Note	Description
1	Registry Objectives
2	Summary of Significant Accounting Policies
3	Events Occurring after Balance Date
4	Operating Revenues
5	Operating Expenses
6	Abnormal Items
7	Financial Assets
8	Non-financial Assets
9	Provisions and Payables
10	Equity
11	Cash Flow Reconciliation
12	Appropriations
13	Receipts and Expenditure of the Reserved Money Fund
14	Reporting of Outcome
15	Executive Remuneration
16	Average Staffing Levels
17	Services Provided by the Auditor-General
18	Act of Grace Payments and Waivers
19	Financial Instruments
20	Contingent Liabilities

Note 1 Registry Objectives

A summary of the objectives of the Australian Industrial Registry is included in the 'Corporate Overview' section of the Annual Report.

Note 2 Summary of Significant Accounting Policies

2.1 Basis of Accounting

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

The statements have been prepared in accordance with:

- Requirements for the Preparation of Financial Statements for Commonwealth Agencies and Authorities made by the Minister for Finance and Administration in August 1999 (Schedule 2 to the Financial Management and Accountability (FMA) Orders);
- Australian Accounting Standards;
- other authoritative pronouncements of the Australian Accounting Standards Boards; and
- the Consensus Views of the Urgent Issues Group.

The statements have been prepared having regard to:

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

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

The continued existence of the Registry in its present form is dependent on Government policy and on continuing appropriations by Parliament for the Registry's administration.

2.2 Changes in Accounting Policy

Changes in accounting policy have been identified in this note under their appropriate headings.

The Registry is part of the legal entity that is the Commonwealth Government, which is ultimately responsible for all the agency's debts. The existence of total liabilities in excess of total assets of the Registry as reported in the Statement of Assets and Liabilities has no bearing on whether the agency's debts will be met.

2.3 *Agency and Administered items*

Agency assets, liabilities, revenues and expenses are those items that are controlled by the Registry including:

- computers, plant and equipment used in providing goods and services;
- liabilities for employee entitlements;
- revenues from appropriations or independent sources in payment of outputs; and;
- employee expenses and other administrative expenses incurred in producing agency outputs.

Administered items are those items which are controlled by the Commonwealth and managed or oversighted by the Registry on behalf of the Government. These items include sales of industrial awards and revenue from termination of employment lodgment fees.

The purposes of the separation of agency and administered items is to enable the assessment of administrative efficiency of the Registry in providing services.

The basis of accounting described in Note 2.1 applies to both agency and administered items.

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

2.4 *Reporting by Outcome*

A comparison of Budget and Actual figures by outcome specified in the Appropriation acts relevant to the agency is presented in Note 14. The net cost to budget outcomes shown includes intra-government costs that are eliminated in calculating the actual budget outcome for the Government overall. The Registry's operations comprise a single outcome.

2.5 Revenues from Government

Revenues from government are revenues relating to the core activities of the Registry.

Policies for accounting for revenue from government follow; amounts and other details are given in Note 4.

Agency Appropriations

From 1 July 1999, the Commonwealth Budget has been prepared under an accruals framework. Appropriations to the Registry for agency outputs are recognised as revenue to the extent they have been received into the Registry's bank account or are entitled to be received by the Registry at year end.

Appropriations to the Registry for agency capital items are recognised directly in equity, to the extent that the appropriation has been received into the Registry's bank account or are entitled to be received by the Registry at year end.

The appropriation for agency capital items for 1999-2000 include, as carryovers, the re-appropriation to the Registry of the certain unspent amounts from 1998-99. These amounts were recognised directly in equity in the financial statements for 1998-99.

This is a change in the policy adopted in prior years when agency appropriations, other than running costs, were recognised as revenue to the extent that the appropriations are spent. Amounts appropriated for agency running costs were recognised as revenue in the year of appropriation, except to the extent of

- unspent amounts not automatically carried over into the new financial year; and
- running costs borrowings.

Administered Appropriations

Appropriations for administered expenses are recognised as revenue to the extent that expenses have been incurred up to the limit, if any, of each appropriation.

Resources Received Free of Charge

Services received free of charge are recognised in the Operating Statement 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.

2.6 Other Revenue

Revenue from the sale of goods is recognised upon delivery of goods to customers. Revenue from disposal of non-current assets is recognised when control of the asset has passed to the buyer.

Agency revenue from the rendering of a service is recognised by reference to the stage of completion of contracts or other agreements to provide services to Commonwealth bodies.

The stage of completion is determined according to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Administered fee revenue is recognised when access occurs.

All revenues described in this note are revenues relating to core operating activities of the Registry, whether in its own right or on behalf of the Commonwealth. Details of revenue amounts are given in Note 4.

2.7 Employee Entitlements

Leave

The liability for employee entitlements 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 Registry is estimated to be less than the annual entitlement for sick leave.

The liability for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 2000 and is recognised at the nominal amount.

The long service leave provision is based on the Registry's estimated liability at balance date of the long service leave entitlements of its employees, which have been calculated in accordance with Department of Finance and Administration guidelines. Employees (bar Presidential Members) accrue 3 months long service leave after 10 years service, and progressively thereafter on a proportional basis. The non-current portion of the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of employees at 30 June 2000 with between 3 and 10 years service. In determining the present value of the liability, the Registry has taken into account attrition rates and pay increases through promotion and inflation.

Presidential Members accrue 6 months long leave after 5 years of service. In recognition of the nature of Presidential Members' tenure, a provision is accrued from the first year of service. This is the first year that the long leave has been bought to account, to bring the Registry in line with other Commonwealth courts, and as result the opening value of the provision is an abnormal item.

Separation and redundancy

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

Superannuation

Staff of the Registry contribute to the Commonwealth Superannuation Scheme and the Public Sector Superannuation Scheme. Employer contributions amounting to **\$1,528,551** (1998-99 \$1,564,365) in relation to these schemes have been expensed in these financial statements.

No liability is shown for superannuation in the Balance Sheet as the employer contributions fully extinguish the accruing liability which is assumed by the Commonwealth.

Employer Superannuation Productivity Benefit contributions totalled **\$351,024** (1998-99 \$372,635).

Judges' Pensions

Judges' pension unfunded liability has been bought to account for the first time as an Administered provision and is based on figures provided by the Australian Government Actuary.

Presidential Members of the Australian Industrial Relations Commission are members of the Judges' pension scheme under the Judges' Pensions Act 1968. The fund, as at 30 June 2000, was carrying liabilities for members benefits which exceeded the schemes assets. The Registry recognises a liability in its financial statements for the unfunded superannuation relating to its Presidential Members. The Registry has brought to account the liability of \$34.5m and recognised the existence of a receivable of the same value from the Commonwealth Government.

2.8 Leases

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

Operating lease payments are charged to the Agency Operating Statement on a basis which is representative of the pattern of benefits derived from the leased assets. The net present value of future net outlays in respect of surplus space under non-cancellable lease agreements is expensed in the period in which the space becomes surplus.

At 30 June 2000 the Registry did not hold any finance leases.

2.9 Cash

Cash includes notes and coins held and deposits held at call with banks.

2.10 Financial Instruments

Accounting policies for financial instruments are stated at Note 19.

2.11 Acquisition of Assets

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

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 at the amounts at which they were recognised in the transferor agency's accounts immediately prior to the restructuring.

2.12 Property, Plant and Equipment

Asset recognition threshold

Purchases of property, plant and equipment and intangibles (computer software*) are recognised initially at cost in the Balance Sheet, except for purchases costing less than:

- \$10,000 for leasehold improvements; and
- \$2,000 for all other classes

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).

* includes both internally developed and externally acquired software

Revaluations

Schedule 2 requires that property, plant and equipment be revalued progressively in accordance with the 'deprival' method of valuation in successive 3-year cycles.

The Registry revalued all its assets during 1998-99.

Assets in each class acquired after the commencement of the progressive revaluation cycle will be reported at cost for the duration of the progressive revaluation then in progress.

Depreciation and Amortisation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life to the Registry using, in all cases, the straight line method of depreciation. Leasehold improvements are amortised on a straight line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation/amortisation rates (useful lives) and methods are reviewed at each balance 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 when assets are revalued.

Depreciation and amortisation rates applying to each class of depreciable asset are as follows:

	1999-00	1998-99
Leasehold improvements	Lease term	Lease term
Infrastructure, plant and equipment	3 to 10 years	3 to 10 years
Intangibles - computer software *	3 to 10 years	3 to 10 years

* Includes both internally developed and externally acquired computer software

2.13 Taxation

The Registry is exempt from all forms of taxation except fringe benefits tax, goods and services tax and some state taxes.

2.14 Capital Usage Charge

A capital usage charge of 12% is imposed by the Commonwealth on the net agency assets of the Registry.

2.15 Insurance

The Commonwealth's insurable risk managed fund, called 'Comcover', commenced operations in 1998-1999. The Registry has insured with the fund for risks other than workers compensation, which is dealt with via continuing arrangements with Comcare.

2.16 Comparative Figures

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

2.17 Rounding

Amounts have been rounded to the nearest \$1,000 except in relation to the following:

- act of grace payments and waivers;
- remuneration of executives; and
- remuneration of auditors.

Note 3 Events Occurring after Balance Date

There were no significant events that occurred after 30 June 2000 but prior to the signing of the financial statements.

Note 4 Operating Revenues

Note 4a Revenues from Government

	1999-00 ('000)	1998-99 ('000)
Appropriations for outputs	39,686	38,002
Resources received free of charge	23	91
	<u>39,709</u>	<u>38,093</u>

Note 4b Administered Revenues from Government

Administered	1999-00 ('000)	1998-99 ('000)
Appropriations*	<u>1,594</u>	<u>-</u>

* The total amount appropriated during 1999-00 was \$1.600m. The difference of \$0.006m represents the unspent portion of the Special Appropriation for the *Judges' Pension Act 1968* and is recorded at Note 9 as a payable. In 1998-99, the Special Appropriation received for *Judges' Pension Act 1968* payments was classified as "*Transfers to Official Public Account - Cash from Official Commonwealth Public Account*" in the Statement of Administered Revenues and Expenses.

Note 4c Sale of Goods and Services

	1999-00 ('000)	1998-99 ('000)
Interest from agency bank accounts	24	-
Members and staff contributions for vehicles	39	37
Sale of office furniture	-	12
Profit on sale of assets	-	4
Other sale of goods and services *	110	-
Write-on of assets	-	169
	<u>173</u>	<u>222</u>

* From 1 July 1999 items previously classified as Other Administered Revenue (see Note 4g for corresponding 1998-99 administered amount) are included as agency items, as these items are covered by the Registry's s31 of the *Financial Management and Accountability Act 1997* agreement with Department of Finance and Administration.

Note 4d Administered Other taxes, Fees and Fines

Administered	1999-00 (‘000)	1998-99 (‘000)
Termination of employment lodgment fees	335	366
Less refunds of termination of employment lodgment fees	(141)	(202)
	<u>194</u>	<u>164</u>

Note 4e Administered Sale of Goods and Services

Administered	1999-00 (‘000)	1998-99 (‘000)
Award sales	301	346
Sale of rules	10	12
	<u>311</u>	<u>358</u>

Note 4f Administered Interest

Administered	1999-00 (‘000)	1998-99 (‘000)
Interest received on bank accounts	<u>-</u>	<u>1</u>

Note 4g Administered Other

Administered	1999-00 (‘000)	1998-99 (‘000)
Fees and other miscellaneous	<u>-</u>	<u>31</u>

Note 5 Operating Expenses

Note 5a - Employee Expenses

	1999-00 (‘000)	1998-99 (‘000)
Remuneration (for services provided)		
Salary and wages	15,537	16,186
Employer contribution for employee superannuation	1,880	1,937
Provisions for employee entitlements	1,524	953
Separation and redundancy	1,013	532
Total remuneration	19,954	19,608
Other employee expenses	1,248	1,169
Total employee expenses	21,202	20,778

Note 5b - Suppliers Expenses

	1999-00 (‘000)	1998-99 (‘000)
Operating lease rentals	11,038	11,630
Other suppliers	6,876	8,019
Total suppliers expenses	17,914	19,649

Note 5c - Depreciation and Amortisation

	1999-00 (‘000)	1998-99 (‘000)
Depreciation - leasehold improvements	669	662
Depreciation - property, plant and equipment	143	125
Amortisation - computer software	14	-
Total depreciation and amortisation	826	787

Note 5d - Write Down of Assets

	1999-00 (‘000)	1998-99 (‘000)
Non-financial assets		
Leasehold improvements - revaluation decrement	-	40
Leasehold improvements - disposal	104	-
Total write-down of assets	104	40

Note 5e - Net Losses from Sale of Assets

5f - Employee Expenses

Note

Administered	1999-00 (‘000)	1998-99 (‘000)
<i>Judges' Pensions Act 1968</i>	<u>1,450</u>	<u>1,406</u>

Note 6 Abnormal Items

	1999-00 (‘000)	1998-99 (‘000)
Abnormal Items		
Judges' long leave	<u>2,104</u>	<u>-</u>

	1999-00 (‘000)	1998-99 (‘000)
Non-financial assets		
Plant and equipment	<u>-</u>	<u>7</u>

Note 7 Financial Assets

Note 7a - Cash

	1999-00 (‘000)	1998-99 (‘000)
Agency bank account *	1,907	-
Agency advance accounts	50	95
Cash on hand	<u>6</u>	<u>8</u>
	<u>1,963</u>	<u>103</u>

* The Registry commenced operating its agency bank account on 1 July 1999 for all banking transactions in accordance with the Commonwealth's agency banking reforms. Previously the majority of banking transactions were undertaken centrally by Department of Finance and Administration.

Note 7b - Receivables

	1999-00 ('000)	1998-99 ('000)
Appropriations carryover	-	1,860
Registry staff	5	4
Suppliers	26	-
	<u>31</u>	<u>1,864</u>

Note 7c - Cash

Administered	1999-00 ('000)	1998-99 ('000)
Cash on hand and in bank accounts	<u>6</u>	<u>5</u>

Note 7d - Receivables

Administered	1999-00 ('000)	1998-99 ('000)
Current		
Award sales	-	1
Less Doubtful debts	-	(1)
Government Contributions for Superannuation *	<u>1,579</u>	-
	<u>1,579</u>	-
Non-Current		
Government Contributions for Superannuation *	<u>32,921</u>	-
	<u>34,500</u>	-
Receivables which are overdue are aged as follows:		
Less than 30 days	-	-
30 to 60 days	-	-
More than 60 days	-	1

* Represents the Commonwealth Government obligation to meet the costs of the Registry's unfunded superannuation liability. The Registry's liability as at 30 June 2000 amounted to \$34.5m (liability at 30 June 1999 was \$32.6m). This is recognised for the first time as a deferred revenue with a corresponding liability being recorded as a deferred expense under Administered provisions (see Note 9c).

Note 8 Non-financial Assets

8a - Land and Buildings

	1999-00 ('000)	1998-99 ('000)
Leasehold improvements - at valuation	13,326	14,104
Accumulated amortisation	(11,087)	(11,092)
	2,239	3,012
Leasehold improvements - at cost	49	-
Accumulated amortisation	-	-
	49	-
Total Land and Buildings	2,288	3,012

8b - Infrastructure, Plant and Equipment

	1999-00 ('000)	1998-99 ('000)
Infrastructure, plant and equipment - at valuation	805	1,726
Accumulated depreciation	(405)	(1,181)
	400	545
Infrastructure, plant and equipment - at cost	172	-
Accumulated depreciation	(61)	-
	111	-
Total Plant and Equipment	511	545

8c - Intangibles

	1999-00 ('000)	1998-99 ('000)
Computer software - at cost	62	-
Accumulated amortisation	(14)	-
Total Intangibles	48	-

8d - Analysis of Property, Plant, Equipment and Intangibles

Item	Leasehold improvements	Plant and equipment	Intangibles	Total
	\$'000	\$'000		\$'000
Gross value as at 1 July 1999	14,104	1,726	-	15,830
Additions	49	75	62	186
Revaluations	-	-	-	-
Disposals	(778)	-	-	(778)
Other movements *	-	(824)	-	(824)
Gross value as at 30 June 2000	13,375	977	62	14,414
Accumulated Depreciation/amortisation charge for assets held 1 July 1999	11,092	1,181	-	12,273
Depreciation/amortisation charge for assets held 1 July 1999	669	125	-	794
Depreciation/amortisation charge for additions	-	18	14	32
Adjustment for revaluations	-	-	-	-
Adjustment for disposals	(674)	-	-	(674)
Adjustment for other movements*	-	(858)	-	(858)
Accumulated Depreciation/Amortisation as at 30 June 2000	11,087	466	14	11,567
Net book value as at 30 June 2000	2,288	511	48	2,847
Net book value as at 1 July 1999	3,012	545	-	3,558

* Adjustment to opening figures for plant and equipment following review of asset register (net variation of \$0.034m).

Note 8e - Capital Work in Progress

	1999-00 ('000)	1998-99 ('000)
Leasehold improvements	307	-
Internally developed software *	242	-
	<u>549</u>	<u>-</u>

* The Registry is undertaking the development of a new Case Management System.

Note 8f - Other

	1999-00 ('000)	1998-99 ('000)
Prepayments	<u>520</u>	<u>692</u>

Note 9 Provisions and Payables

Note 9a - Employee Liabilities

	1999-00 ('000)	1998-99 ('000)
Salaries and wages	313	270
Superannuation	47	39
Separation and redundancies	-	212
Annual leave	2,181	2,307
Long service leave	3,088	3,108
Judges' long leave	2,260	-
Aggregate employee entitlement liability	<u>7,889</u>	<u>5,936</u>

The liability, for Presidential Members of the Australian Industrial Relations Commission for long leave, under the *Judges' Pension Act 1968*, has been recognised for the first time. The opening balance at 1 July 1999 of \$2.104m has been treated as an abnormal item (see Note 6) and the 1999-2000 (i.e. current year) component of \$0.156m has been recognised as an accrued employee expense.

Note 9b - Suppliers

	1999-00 ('000)	1998-99 ('000)
Trade creditors	<u>690</u>	<u>682</u>

Note 9c Employee Liabilities

Administered	1999-00 ('000)	1998-99 ('000)
Judges' Pensions	<u>34,500</u>	<u>-</u>

Presidential Members of the Australian Industrial Relations Commission are members of the Judges' pension scheme under the *Judges' Pensions Act 1968*. The Registry has brought to account for the first time, the liability of \$34.5m as advised by the Australian Government Actuary (liability at 30 June 1999 was \$32.6m) and recognised the existence of a receivable of the same value from the Commonwealth Government (see Note 7d).

Note 9d Other

Administered	1999-00 ('000)	1998-99 ('000)
Award sales - payments received in advance	49	132
Appropriation Payable	6	-
Other - GST payable	1	-
	<u>56</u>	<u>132</u>

Note 10 Equity

Note 10a - Agency

Item	Capital *		Accumulated results		Asset revaluation reserve		TOTAL EQUITY	
	1999-00 \$'000	1998-99 \$'000	1999-00 \$'000	1998-99 \$'000	1999-00 \$'000	1998-99 \$'000	1999-00 \$'000	1998-99 \$'000
Balance 1 July 1999	1,860	1,860	(2,530)	416	269	-	(401)	2,276
Operating result	-	-	(164)	(2,946)	-	-	(164)	(2,946)
Extraordinary items	-	-	(2,104)	-	-	-	(2,104)	-
Net revaluation increases	-	-	-	-	-	269	-	269
Balance 30 June 2000	1,860	1,860	(4,798)	(2,530)	269	269	(2,669)	(401)

* represents carry-over of appropriation at 30 June 1999

Note 10b - Administered

Item	Accumulated results		TOTAL EQUITY	
	1999-00 \$'000	1998-99 \$'000	1999-00 \$'000	1998-99 \$'000
Balance 1 July 1999	(127)	(18)	(127)	(18)
Operating result	77	(109)	77	(109)
Balance 30 June 2000	(50)	(127)	(50)	(127)

Note 11 Cash Flow Reconciliation

11a - Agency Reconciliation

	1999-00 (‘000)	1998-99 (‘000)
Operating (deficit) before abnormal items	(164)	(2,946)
Abnormal items	(2,104)	-
Net (deficit)	(2,268)	(2,946)
Depreciation/amortisation	826	787
Profit on sale of non-current assets	-	(4)
Loss on sale of non-current assets	-	11
Write down of assets (revaluation decrements)	-	40
Write down of assets (disposals)	104	-
Write on of assets	-	(169)
Asset adjustment	(34)	-
Capital injection	-	1,860
Decrease (increase) in receivables - carryover	1,860	(540)
Decrease (increase) in receivables	(27)	(4)
Decrease (increase) in other assets	172	73
Increase (decrease) in accounts payable	10	(15)
Increase (decrease) in employee entitlements	1,953	1,033
Net cash provided by operating activities	2,596	126

11b - Administered Reconciliation

Reconciliation of net contribution to budget outcomes to net cash from (used by) by operating activities:

Administered	1999-00 (‘000)	1998-99 (‘000)
Net contribution (cost) to the budget outcome	649	(852)
Cash from Commonwealth Public Account for operations	-	1,406
Cash to Commonwealth Public Account from operations	(572)	(663)
Net surplus or deficit	77	(109)
Decrease (increase) in receivables	-	5
Increase (decrease) in other liabilities (unearned income)	(82)	96
Increase (decrease) in provisions and payables	6	-
Net cash from (used by) operating activities	1	(8)

Note 12 Appropriations

12a – Agency Appropriations

Annual appropriations for Agency items (price of outputs)

	1999-00 ('000)
Balance available at 1 July	-
Add: Appropriation Acts No 1 & 3 credits:	
Section 6 – Act 1 – basic appropriations (budget)	39,686
Add: FMA Act	
s31 appropriations	183
Total appropriations available for the year	<u>39,869</u>
Expenditures during the year	<u>38,019</u>
Balance of appropriations for outputs at 30 June	<u><u>1,850</u></u>

Annual Appropriations for Agency non-revenue items

	1999-00 ('000)
Balance available at 1 July	-
Add: Appropriation Acts no 2 (Budget)	1,860
Total appropriations available for the year	<u>1,860</u>
Expenditures during the year	<u>1,860</u>
Balance of appropriations for outputs at 30 June	<u><u>-</u></u>

12b – Administered appropriations

Special Appropriations (unlimited) for Administered items

Special Appropriation (Act/section)	1999-00 Budget \$	1999-00 Actual \$
<i>Judges' Pensions Act 1968</i>	<u>1,456,000</u>	<u>1,450,272</u>

Note 13 Receipts and Expenditure of the Reserved Money Fund

Services for other governments and non-agency bodies

Legal authority - *Financial Management and Accountability Act 1997*

Purpose - payment of costs in connection with services performed on behalf of other governments and non-agency bodies

	1999-00	1999-00	1998-99	1998-99
	Cash	Total	Cash	Total
	\$	\$	\$	\$
Opening balance	11,748	11,748	6,230	6,230
Receipts	-	-	5,518	5,518
Expenditure	(11,748)	(11,748)	-	-
Closing balance	-	-	11,748	11,748

Transactions under the Head of Trust relate to incapacity payments to current employees in accordance with determinations made, and funds issued, by COMCARE.

Note 14 Reporting of Outcome

Reporting by Outcome

	1999-00	1999-00
	Budget	Actual
	('000)	('000)
Net subsidies, benefits and grants expenses	-	(649)
Other administered expenses	1,456	1,450
Total net administered expenses	1,456	801
Add Net cost of entity outputs	39,869	39,873
Outcome before abnormal/extraordinary items	41,325	40,674
Abnormal/extraordinary items	-	2,104
Net Cost to Budget Outcome	41,325	42,778
Total assets deployed as at 30 June 2000	6,098	40,415
Net assets deployed as at 30 June 2000	(401)	(2,719)

Outcome	Administered Expenses				Agency Outputs					Total Appropriations \$'000 (D) = (A) - (B) - (C)
	\$'000				\$'000					
	Expenses against Special Appropriations	Expenses against Annual Appropriations	Annual Expenses	Total Administered Expenses (A)	Expenses against Government (Appropriations) (B)	Revenue from	Expense against Revenue from other sources (C)	Total Expenses against Outputs		
		Appropriation Act 1 & 3	Appropriation Act 2 & 4 (SPP's & New Outcomes)		Special Appropriations	Annual Appropriations	Total			
Outcome 1										
Actual	1,450	-	-	1,450	-	38,013	38,013	173	38,186	39,466
Budget	1,456	-	-	1,456	-	39,686	39,686	183	39,869	41,148
								Appropriation Act 2 Administered Capital		
								Actual		
								Budget		
								Appropriation Act 2 Agency Capital		
								Actual		1,866
								Budget		1,866
								Total Appropriations		
								Actual		41,322
								Budget		43,000
NB Expenses may be incurred against funding sources not separately identified in this table but which can be included in the total expenses column e.g. expenses incurred by special section 20 of the FMA Act.										

Note 15 Executive Remuneration

The number of executive officers who received or were due to receive total remuneration of \$100,000 or more:

	1999-00	1998-99
Fixed remuneration		
\$100,000 to \$109,999	1	-
\$110,000 to \$119,999	3	4
\$120,000 to \$129,999	-	2
\$130,000 to \$139,999	-	-
\$140,000 to \$149,999	1	-
Total remuneration	<u>5</u>	<u>6</u>

The aggregate amount of total remuneration of executive officers shown above.	\$589,298	\$699,347
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The aggregate amount of performance pay paid during the year to the executive officers shown above.	-	-
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The aggregate amount of separation and redundancy payments during the year to officers shown above.	\$328,049	-
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* 1998-99 figures do not include the Industrial Registrar

Note 16 Average Staffing Levels

Average staffing levels were as follows:

1999-00	1998-99
<u>252</u>	<u>274</u>

Note 17 Services Provided by the Auditor-General

Financial statement audit services are provided free of charge to the Registry.
The fair value of audit services provided was:

	1999-00 \$	1998-99 \$
Australian National Audit Office		
Provision of audit services	<u>23,000</u>	<u>23,000</u>

No other services were provided by the Auditor-General.

Note 18 Act of Grace Payments and Waivers

No Act of Grace payments were made during the reporting period.

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

Note 19 Financial Instruments

Note 19a Terms, conditions and accounting policies

Note 19b Credit and Interest Rate Risk: Agency

Financial Instrument	Notes	Floating Interest Rate		Non-Interest Bearing		Total		Weighted Average Effective Interest Rate	
		99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 %	98-99 %
Financial Assets									
Cash at bank	7a	1,963	103	-	-	1,963	103	4.2	3.3
Receivables	7b	-	-	31	1,864	31	1,864	n/a	n/a
Total Financial Assets (Recognised)		1,963	103	31	1,864	1,994	1,967		
Total Assets						5,930	6,217		
Financial Liabilities									
Trade creditors	9b	-	-	690	682	690	682	n/a	n/a
Total Financial Liabilities (Recognised)		-	-	690	682	690	682		
Total Liabilities						8,579	5,929		

Note 19c Credit and Interest Rate Risk: Administered

Financial Instrument	Notes	Floating Interest Rate		Non-Interest Bearing		Total		Weighted Average Effective Interest Rate	
		99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 %	98-99 %
Financial Assets									
Cash at bank	7c	6	5	-	-	6	5	4.2	3.3
Total Financial Assets (Recognised)		6	5	-	-	6	5		
Total Assets						6	6		
Financial Liabilities									
Unearned revenue	9d	-	-	49	132	49	132	n/a	n/a
Other	9d	-	-	7	-	7	-	n/a	n/a
Total Financial Liabilities (Recognised)		-	-	56	132	56	132		
Total Liabilities						56	132		

Note 19d Net Fair Values of Financial Assets and Liabilities

		1999-00		1998-99	
		Total carrying amount	Aggregate net fair value	Total carrying amount	Aggregate net fair value
	Note	\$'000	\$'000	\$'000	\$'000
Agency Financial Assets					
Cash at bank	7a	1,963	1,963	103	103
Receivables	7b	31	31	1,864	1,864
Total Financial Assets		1,994	1,994	1,967	1,967
Financial Liabilities (Recognised)					
Trade Creditors	9b	690	690	682	682
Total Financial Liabilities (Recognised)		690	690	682	682

Administered Financial Assets

Cash at bank	7c	6	6	5	5
Total Financial Assets		6	6	5	5
Financial Liabilities (Recognised)					
Unearned revenue	9d	49	49	132	132
Other (appropriation & GST payable)	9d	7	7	-	-
Total Financial Liabilities (Recognised)		56	56	132	132

Note 20 Contingent Liabilities

As at 30 June 2000 there were no unrecognised or contingent liabilities requiring disclosure.